The A. F. of L. Weekly News Service gives a brief summary of important matters affecting labor, occurring in the industrial, legislative and judicial fields, and such other information that will benefit the trade union movement.

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

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The first spark of valor is defense.—Sir P. Sidney.

WHOLE NO. 1069. WILLIAM GREEN, President WASHINGTON D. C., SATURDAY, OCTOBER 3, 1931 FRANK MORRISON, Secretary VOL. 21, NO. 30.

The Hypocrisy of Wage Cutters

The hypocrisy of wage cutters and the fallacy of their arguments were well illustrated in their opinions on the relation of wage-rate reductions for iron and steel workers to prices for steel products expressed before and after the United States Steel Corporation, the Bethlehem Steel Corporation, and smaller steel concerns actually reduced wages.

For weeks prior to the wage cut writers in iron and steel trade journals carried on a persistent propaganda in favor of the reduction.

Their argument ran like this:

Prices of iron and steel products were too high to secure maximum consumption. Iron and steel manufacturers had not made price reductions proportional to those made by manufacturers of other commodities. Why? Because the wage rates of the iron and steel workers were too high.

It is true, they said, that the weekly earnings of the iron and steel workers had been reduced by part-time employment, but when they did work they were paid the same unit wage per piece or per hour or per day as formerly. Consequently, the steel companies had just as high a direct labor cost as when the depression started two years ago.

This alleged high labor cost, the wage cut propagandists said, prevented the steel manufacturers from making large reductions in the price of iron and steel products and thus reduced trade and held down employment.

This argument was made by writers in the iron and steel trade journals. It was repeated by financial writers in metropolitan papers with wage cut orientations, and appeared in many news articles emanating from Wall Street sources for weeks before the steel corporations cut wages 10 per cent.

But when the wage cut was finally announced, a revolutionary change took place in the wage cutters' interpretation of the relation between wage reductions and prices for iron and steel products. They suddenly discovered that reduced wages for steel workers had no relation whatever to reduced prices for the commodities which the iron and steel workers make.

A few of these changes of opinion follow:

The Iron Age:

Steel producers see no point in the suggestion that the saving from wage cuts be passed on to buyers.

The Wall Street Journal:

Investigation in the industry indicates that it is the view among leaders that steel prices should be maintained.

New York Times (special from Pittsburgh):

Whatever saving in operating costs the steel companies obtain by the 10 per cent wage reduction effective October 1 will be retained by them as an offset to losses, according to authoritative opinion in the steel industry. Nothing is further from their plans, it is said, than any outright reduction in prices or any shading from the levels that have been well maintained in the last three months.

New York Times (special from Chicago):

The contention is that with production around 30 per cent of capacity in this district price reductions cannot be made despite the lowering of wages.

Philadelphia Public Ledger (special from Pittsburgh):

There is no thought in the steel trade that steel prices will suffer a particle by reason of this wage reduction. It would be quite impossible to figure out the influence on different finished steel products, as they involve varying amounts of labor. Sellers have been standing firm on their prices and will continue to do so, while it is improbable that many buyers will even attempt to raise an issue.

Of course the real reason for the wage cut was to transfer the money saved in wages to the stockholders in dividends. But telling the truth before the cut would have brought forth too much public opposition. Therefore the wage cutters camouflaged their real objective with their psychological dope about the wage reduction being reflected in reduced prices for steel products.

COAL OPERATORS ASK GOVERNMENT BOARD

Washington, Oct. 2.—Plans for the stabilization of the bituminous coal industry were revealed by President Hoover by William S. Bennet of Chicago, general counsel and member of the board of the Paramount Coal Co., Fairmount, W. Va.

Mr. Bennet is understood to have told the President that he approved a board for the bituminous coal industry similar to the Federal Oil Conservation Board. The Federal Coal Conservation Board contemplates the appointment of a number of soft coal operators to study plans for the stabilization of the coal industry. Under the major plan the State governments of Kentucky, West Virginia, Pennsylvania and Ohio would attack the problem from the standpoint of conservation of natural resources. The mining of bituminous coal below the cost of production would be declared waste of natural resources and prohibited by law. The output would be allocated between the different States joining the compact.

Bennet's plan leaves labor out. The "conservation" board is to consist exclusively of bituminous coal operators.

Recently the United Mine Workers of America requested President Hoover to call a national conference of representatives of the organized mine workers and the bituminous coal operators to consider all phases of the alarming condition in the industry and determine a basis on which to negotiate a joint agreement between the mine workers and the mine workers. A number of the operators opposed the conference, and President Hoover refused to call it. A conference composed exclusively of operators clothed with governmental sanction is evidently more to their liking. But the decisions of such a conference would undoubtedly be exclusively of the operators, by the operators, and for the operators.

D. C. COMMISSIONERS ADOPT UNION WAGE RATE

Washington, Oct. 2—The Commissioners of the District of Columbia adopted a wage scale commensurate with that paid union mechanics as the "prevailing wage" to be paid on municipal building projects involving an expenditure of more than $5,000.

All future contracts will contain a clause stipulating that such wages shall be paid, with forfeiture of the contract as a penalty for failure to do so.

The action of the Commissioners is a victory for organized labor.

Some weeks ago Major H. L. Robb, Assistant Engineer Commissioner in charge of the District building projects, recommended writing into the contracts for municipal work the wage scales paid by the District to its own workers as a minimum. Major Robb's minimum was considerably less than the trade union scale, and was opposed by organized labor with the claim that the union scale constituted the "prevailing wage" under the Bacon-Davis Act.

Secretary of Labor Doak, who is the final arbiter of cases under the Bacon-Davis Act, advised the Commissioners to adopt the union scale.

HILLQUIT URGES ECONOMIC PLANNING TO CURE SLUMP

Washington, Oct. 3.—"Our productive forces and resources are adequate to provide for all human wants, if they are not perverted to the private gains of the privileged classes," said Morris Hillquit, national chairman of the Socialist party, "but our industrial system is radically reorganized on the principle of planned production to be carried on by the people as a whole for the benefit of the whole body of our people."

Hillquit charged that our present industrial system has "piled up vast wealth for the few and thrown millions of laborers into the bread lines. It is impotent to control the wild and blind economic forces which it has conjured up."

Dividing Work With Idle Urged By Hoover's Jobless Relief Body

Chicago, Ill., Oct. 2.—The Committee on Unemployment Plans and Suggestions of President Hoover's national relief organization at its first meeting here urged more equitable division of available work by major recommendation to provide jobs for the out-of-works.

"It is imperative that the existing problem of unemployment should be immediately dealt with in a practical and constructive way," the committee said.

"Necessary relief must be provided for those who are unemployed or the creation of work opportunities should be accorded them.

"The result, therefore, recommends that all work now available be equitably distributed among those normally employed in each unit of the various industries, both public and private, so far as it is practicable to do so.

"In order to achieve this objective, it is the opinion of the Committee that the owners and managers of industry and employes in both public and private industry should co-operate to the fullest extent in extending work opportunities for as large a number of working people as possible.

"Public opinion will support the employers and employes in every effort they put forth to distribute the amount of work in both public and private industry as equitably as possible.

"The duties of both management and employes are clear and plain.

"First, management should, as far as possible, maintain and increase the number of employed. Employment during the coming Winter is the first consideration. It is the duty of workers and employers to assist those who are out of work by agreeing to an adjustment of working time so that the work which may be available during the Winter months may be equitably and equably distributed among a larger number.

"This may be done either through a reduction in the number of days worked per week or the hours worked per day, or through the application of other practical methods which may be best suited to the peculiar conditions of different industries. We are of the opinion that the genius and resourcefulness of the management and workers can find a way to apply the remedies herewith proposed.

"In addition to the foregoing we further recommend that agreements are in effect covering working conditions, that the managements and representatives of employes co-operate with the view of meeting this serious unemployment condition, and we deem it a patriotic duty on the part of managements and employes to meet this crisis in a fearless manner and make such adjustments as are practicable. Those workers who are protected in their employment by seniority rights or civil service should during this emergency forego their right to continuous employment."

William Green, president of the American Federation of Labor, and A. Johnston, president of the Brotherhood of Locomotive Engineers, are the labor members of the Committee.

Green Urges Labor Cooperation With Hoover's Jobless Relief Group

Washington, Oct. 3—Active co-operation by State Federations of Labor and city central bodies with President Hoover's Committee for Unemployment Relief is urged by William Green, president of the American Federation of Labor.

"The President of the United States appointed a committee to deal with the problem of unemployment relief," Green said. "This committee has been created for the purpose of doing everything possible to guarantee to those who are unemployed during the coming winter the assurance of adequate relief.

"The work of the committee is based upon the broad policy that unemployment relief must be dealt with more equitably extended in each local community through a centralized or unified organization or committee.

"It is of the utmost importance that organized groups in every community extend a full measure of support to all local enterprises and activities which may be interested and engaged in the raising of funds for unemployment relief, in the expenditure and administration of relief funds, and in enlarging

BUILDING GROUPS GIVE HOOVER BUSINESS AID PLAN

Washington, Oct. 2.—The Construction League of the United States, of which the American Federation of Labor is a member, today laid before President Hoover its support and co-operation in his efforts to restore normal economic conditions and presented a program to stimulate building and materially relieve unemployment.

The program included a three-year moratorium on taxes and special assessments against property owners on new construction work in cities and a modification of the anti-trust laws to permit various building organizations to gather statistics which are now prohibited under a ruling of the U. S. Department of Justice. The proposals were presented by Robert D. Kohn, New York, president of the American Institute of Architects.

Nineteen organizations were represented, including the Building Trades Department of the American Federation of Labor and the United Association of Journeymen Plumbers and Steamfitters. William C. Roberts, chairman of the A. F. of L. executive committee, and M. F. Garrett, general organizer of the Plumbers and Steamfitters, represented the Building Trades Department and the Plumbers.

GIFFORD PLACES WORK ON JOBLESS RELIEF GROUP

Washington, Oct. 3.—Walter S. Gifford, director of the President's Organization on Unemployment Relief, has joined Matthew Woll, third vice president of the American Federation of Labor, a member of a committee to consider the Federal public works program in relation to jobless relief unemployment problem. The committee is headed by William C. Proctor of Cincinnati, Ohio.

OLANDER MADE MEMBER OF ILL. OLD AGE COMMISSION

Springfield, Ill., Oct. 2.—Governor Louis L. Emmerson appointed Victor A. Olander, secretary of the Illinois State Federation of Labor, a member of the commission authorized by the last General Assembly to study, prepare and conducting a study of poverty and dependency in old age. The commission consists of seven members, headed by Senator Charles H. Thompson of Harrisburg.

5-DAY WEEK AND 8-HOUR DAY IN NEW YORK STATE

New York, Oct. 2.—The special session of the New York State Legislature enacted laws providing for a five-day week on all public works of the State and an eight-hour day and the prevailing rate of wage on highway contracts. Both laws are effective up to December 1, 1932.

ILL. PREVAILING WAGE LAW UNCONSTITUTIONAL

Springfield, Ill., Oct. 3.—The prevailing rate of wage law enacted by the 1931 Legislature has been declared invalid, according to a decision by Judge Charles G. Reynolds in Circuit Court here. The decision was rendered in an action brought by Harry A. Mayberg against Oscar Nelson, State Auditor.

LAMONT URGED TO TAKE PRISON GOODS CENSUS

Washington, Oct. 3.—Eleven important organizations interested in convict labor problems have requested Secretary Lamont to include in future censuses of manufactures data regarding the production and distribution of institutional made goods.

The resolution adopted by the organizations states that "the facts in regard to institutional industries which are operated both for maintenance and production purposes and all allocation of prison labor are essential as a basis for finding a basis for the reorganization of prison industries of many States which will be necessary by the limitation of several convict labor law becomes effective in January, 1934."

The organizations participating in the conference included the American Federation of Labor, the Labor Standards Committee on Prisons and Prison Labor. Edward F. McGrady represented the A. F. of L.

119 OHIO WORKERS KILLED IN MONTH; 15,500 INJURED

Columbus, O., Oct. 3.—One hundred and nineteen industrial workers in Ohio were killed during August, and about 15,500 injured, according to the monthly report issued by Dr. Harry Hagerty and Hygiene of the Industrial Commission. One hundred and fifteen of the non-fatal accidents caused permanent partial disability, which means that that number of persons will suffer some member or members of the body as a result of their accidents.

"While it would be difficult to concentrate on a definite reason for the recent heavy fatality in Ohio industry," said Thos. P. Kearns, superintendent of the division, "the development of menial hazards due to unrest and fear of unemployment, unusual labor turnover and the placing of old and valued employes on unaccustomed jobs in an effort to maintain working organizations, have undoubtedly made their contributions to the distressing growth of fatalities."

and increasing opportunities for employment.

"The Committee on Co-operation is charged with the responsibility of inviting all organizations to participate in unemployment relief work.

"There is no organization more vitally and directly interested in this character of work than are the labor organizations in each and every community.

"Because of this special interest and because of the humane principles involved, I respectfully call upon the officers and members of city central bodies and of State Federations of Labor to cooperate fully with the unified relief organization created in your respective cities and communities for the purpose of assuring all assistance possible to those that suffering may be relieved and distress resulting from unemployment be kept at the lowest possible point.

"This is a duty you owe yourselves, your families, and your communities.

"It is no time to either halt or hinder relief work by emphasizing differences of opinion relating to plans and policies. The call of the hour is for co-operation, for united effort, and the exercise of the highest and best service possible."

CHEMISTS INVESTIGATE LABOR-SAVING MACHINES

New York, Oct. 3.—A study of technological unemployment in the chemical industry was started by the American Institute of Chemical Engineers at the request of Secretary of Labor William N. Doak.

The number of workers which employers have discarded by the introduction of labor-displacing machinery is not definitely known. Labor economists claim machinery is the basic cause of unemployment due to the fact that employers very rarely reduce hours in proportion to the increased output of workers under machine production. Employer economists and employers generally claim that labor displaced by machinery is absorbed by the growth of industry.

The investigating committee, headed by John Van Nostrand, vice president of the institute, will undertake to settle the dispute so far as the chemical industry is concerned.

960 COAL MINERS KILLED IN U. S. IN EIGHT MONTHS

Washington, Oct. 3.—Nine hundred and sixty miners were killed in the coal mines of the United States during the first eight months of 1931, according to information furnished by State mine inspectors to the United States Bureau of Mines. During August 112 miners were killed.

Most of the miners lost their lives in explosions of coal dust, haulage, gas or dust explosions, explosives, and electricity.

Both fatal and non-fatal accidents in coal mines would be very largely prevented if the coal mine owners and operators installed well-known accident prevention methods and made the safeguarding of the lives of the miners a major object instead of the realization of large profits.

4,000 JOBLESS MINERS IN PERU

Lima, Peru, Oct. 2.—The Northern Peru Mining and Smelting Company has discharged 4,000 miners. Skeleton crews are retained to work the pumps and guard the company's property. Company officials claim the shutdown will continue until the price of copper rises to a profitable figure.

New York Companies Paid De Vito $503,000 to Break Strikes in 1929

New York, Oct. 2.—The Standard Oil Company of New York, the American Can Company and a few other anti-union corporations paid Tony De Vito, notorious strikebreaker, $503,000 to break strikes of their employes during the weeks in 1929, according to data revealed by officials of the United States Internal Revenue Bureau who had De Vito indicted for failure to file a proper income tax return for 1929 with Collector Hoffman. It is understood that the Standard Oil Company paid him approximately $250,000 and that officials refused to deny or affirm the charge.

According to statements by members of the International Brotherhood of Teamsters and Chauffeurs, De Vito employed thugs to help him break strikes and shared his profits with Brooklyn politicians, who, the union men alleged, provided police protection for him.

The union men said De Vito was employed only in the Standard Oil strike of 1929, which was characterized by stabbings and shootings and ended with the defeat of the oil company employes, but also that he provided strikebreakers for the Standard Oil plants in the grocery store chain systems in 1925.

Internal Revenue Bureau officials claim that the strikebreaker failed to include in his income tax return for 1929 De Vito admitted a gross income of $568,000 but permitted him only $157,000 for business expenses—made up of expenses for himself, his wife, children, men and for similar items—and placed his net income at $315,799.25, subject to a 20 per cent surtax on all that over $10,000 on the basis of his own figures was $223.65.

De Vito, it is said, has under his pay between 3,000 and 4,000 men ready to work for him as strikebreakers and that he has been employing them for trucks on short notice.

For business world De Vito is reputed to be in the trucking business.

LAWRENCE TEXTILE MILLS CUT WAGES OF 21,000

Lawrence, Mass., Oct. 3.—The executives of the textile mills of greater Lawrence ordered a 10 per cent wage cut effective October 13. In normal times the plants in Lawrence alone employ more than 30,000 workers. They have operated both for the annual production purposes and all allocation of prison labor are essential as a basis for finding a basis for the reorganization of prison industries of many States which will be necessary by the limitation of several convict labor law becomes effective in January, 1934."

The organizations participating in the conference included the American Federation of Labor, the Labor Standards Committee on Prisons and Prison Labor. Edward F. McGrady represented the A. F. of L.

SPAIN COMPELS LAND USE FOR UNEMPLOYED

Madrid, Spain, Oct. 2.—Compulsory development of untilled lands for the benefit of the unemployed was announced by the government as the first step in its agrarian reforms. The lands are distributed among workers' societies which can use farm machinery in conjunction with land owners. After the harvest the lands will be returned to the owners without indemnity. The development was started in provinces where the jobless situation was most acute.

LONGSHOREMEN WIN WAGE AGREEMENT

New York, Oct. 3.—The International Longshoremen's Association won their fight against the drastic wage reductions proposed by officials of the North Atlantic and intercoastal steamship lines as the basis for the renewal of the wages and hours agreement.

Under the former agreement the longshoremen were paid 90 cents an hour for regular time and $1.30 an hour for overtime, with the 44-hour week. The shipping interests insisted on reducing regular time wages to 70 cents an hour and overtime to $1.05. Officials of the union conceded a reduction in the base rate for over-time, but retained 85 cents for regular time and kept the 44-hour week.

A member of the steamship wage committee said the companies had been forced into the wage schedule of the new agreement by the action of the United States Shipping Board lines in deciding in advance to renew regular time wage scale for the coming year. He expressed the belief that Chairman O'Connor of the Shipping Board had shown much favoritism to the longshoremen.

Washington, Oct. 3.—T. V. O'Connor, chairman of the United States Shipping Board, in an interview regarding the statement that the Board had shown favoritism in the wages controversy of the longshoremen, declared that in connection with the officials of the North Atlantic and intercoastal steamship lines, he had "leaned over backward" to secure ordinary chairman of the Longshoremen's Association and of having the friendship of thousands of members of the Association. He said he was not in favor of any increment to cut the wages of men who are making only $15 a week and that he extremely glad to have aided in bringing about a renewal of the present basic wage rate of 85 cents an hour.

Mr. O'Connor was president of the International Longshoremen's Association from 1908 to 1921. He was appointed vice-president of the U. S. Shipping Board by President Harding, was made chairman of the Board by President Coolidge in 1928, and has held the position up to the present.

LARGER TAX ON RICH ENDORSED BY GRAVES

New York, Oct. 3.—Heavier taxes on the rich to pay the costs of Federal and State Government were advocated by Alexander Graves, State Treasurer of New York, in an address here before the executive committee of the International Association of Public Works Officials. He specifically mentioned taxes on "wealth, inheritance and income" as the chief reliance for government revenue.

Graves declared that in no other country during the entire history of the world have such golden opportunities existed for the accumulation of wealth, he declared.

"I am not socialistic in my opinion to say that those who have benefited by this social and economic order must carry the heaviest load of the cost of government, even though the profits of those who have not profited under the same system may greatly outweigh their tax payments."

He answered any wealthy men who thought they had acquired their fortunes entirely through their ingenuity or peculiar ability "might well consider whether they were born in Greenland or down where Byrd was." Wealth, he concluded, must be taxed on the basis that government is a silent partner in its ventures.

New York Sets Up First State Jobless Relief Fund; $20,000,000 Provided

Albany, N. Y., Oct. 3.—Governor Roosevelt appointed John L. Sullivan, president of the New York State Federation of Labor, a member of the Temporary Emergency Relief Administration to administer the $20,000,000 unemployment relief fund voted by the Legislature at its recent special session.

The other members of the commission are Jesse Isidor Straus, president of R. H. Macy & Co., chairman, and Philip J. Wickser of Buffalo, a banker not identified with civic organizations.

The $20,000,000 fund is the first organized project by any State to provide unemployment relief.

Benefits under the law are limited to persons who have been residents of the State for two years.

The statute operates in two ways. It provides relief work for the unemployed and also home relief, which includes shelter, food, clothing, light, and medical and dental attention.

Applicants for both home relief and work for wages will be investigated by close scrutiny by those in charge of administering the program.

The law contains strict provision against the payment of money for any purpose other than as wages for work supplied to jobless persons.

"Money paid to a person in cash," a clause of the law reads, "shall be in the form of day's wages for day's work or hour's wages for hour's work, and the payment to any unemployed person of any part of such money in the form of a dole or any other form than for wages is hereby prohibited."

Special provision is made for jobless white-collar workers by authorizing their employment in the administration of work relief. Fifty per cent of their salaries will be paid out of the State fund.

Provision is also made for the employment of as many unpaid workers as practicable in local relief work.

Municipalities will be reimbursed to the extent of 40 per cent of money expended for home relief and also for funds expended to provide emergency employment in such projects as Park Commissioners in charge of the fund shall determine.

Of the $20,000,000 fund, not more than $19,000,000 is to be spent for work or home relief. The sum of $1,500,000 is set aside for the payment of State bonus claims to World War veterans.

The amount to be spent for home relief is limited to $10,000,000.

Out of the amount to be spent for work relief the State may disburse $1000,000 directly to the needy unemployed for public improvements actually required and not let or to be let by contract, of which amount $100,000 may be set aside for the purchase of tools, equipment, or supplies for the proper performance of the work.

The $20,000,000 authorized by the law will be provided through the issue of short term securities in anticipation of an additional 50 per cent personal income tax which will be collected in the fall of 1931 incomes.

The unemployment relief measure will be in force from November 1 to June 1, with a possibility that it may be extended if the Legislature should find such extension warranted.

MACHINERY BARRED IN JOBLESS RELIEF PROJECT

Wilmington, Del., Oct. 3.—Governor C. D. Buck's program of relief through the construction of highways in Delaware without the use of machinery as a method of providing the largest maximum amount of work for the unemployed.

The plan embraces the construction of 18 miles of roadway of the dual type, the project already approved will cost $1,000,000 and give work to about 700 men for three years.

Included in Governor Buck's unemployment relief program is the construction of sidewalks along the State roads to insure the safety of pedestrians. Employment will be limited to bona fide residents of Delaware.

BALTIMORE MINIMUM WAGE CASE BLOCKED BY COURT

Baltimore, Md., Oct. 2—Baltimore organized labor was defeated in the first stage of its attempt to affirm the validity of the municipal charter provision making it necessary for contractors on municipal work to pay at least the current minimum wage by a decision of Judge Eugene O'Dunne that the indictments against certain contractors were not specific enough.

The indictments charge five contractors with violating the minimum wage rate provision, but did not name the laborers whom it was alleged the contractors paid less than the current wage nor on what work they were employed.

Judge O'Dunne held these defects made the indictments faulty. The State's Attorney's office is considering carrying the case to the Court of Appeals.

JOBLESS INCREASE IN FRANCE

Paris, France, Oct. 2.—According to the latest statistics 1,762,763 unemployed workers are receiving unemployment assistance in France.

RAIL WORKERS DEMAND SHORTER WORK WEEK

Cleveland, Ohio, Oct. 3.—Twenty-one railroad trade unions will ask the United States Congress when it meets in December to enact legislation providing for a shorter work week for railroad employes as an unemployment relief plan.

L. E. Robertson, president of the Brotherhood of Locomotive Firemen and Enginemen, heads a national committee charged with making a national survey of railway labor conditions. The survey will be used as a basis for the details of the plan presented to Congress.

"We have made no decision as to what effect shorter hours will have upon wages," Robertson said. "We have wanted to thresh that matter out in joint session with the railroads. But they were unwilling to meet us, and so the wage question was left unsettled.

"All of the 21 railroad brotherhoods are agreed, however, that shorter working hours and a shorter working week are the only means by which unemployment of railroad men can be put back to work."

Robertson estimated the number of unemployed members of the railroad brotherhoods at 350,000.

In 1930 Congress amended a law which gave the railroad workers the basic eight-hour day.

SHARE OF RELIEF FUNDS FOR IDLE TRADE UNIONISTS

New York, Oct. 3.—The Central Trades and Labor Council of Greater New York adopted a resolution designed to obtain a proportionate share of municipal and State unemployment appropriations for jobless members of labor unions. The Council adopt that members of trade unions be included on all committees for the distribution of funds among the unemployed.

Textile Mill Imposes Wage Slash To Pay for Cut-Throat Prices

Boston, Mass., Oct. 2.—Penalizing the workers for cut-throat living standards for business conditions for which the employers are responsible, Arthur Lord, declaring note in a statement by Russell H. Leonard, treasurer of the Pepperell Manufacturing Company, in announcing a wage cut of 10 per cent effective October 5. The company manufactures cotton textiles with plants at Biddeford, Maine, and Lanett, Ala. The wage cut affects about 6,500 employes.

From 1915 to 1930, inclusive, the company paid its stockholders $17,763 per share in regular and special dividends.

In explaining the alleged "necessity" for the wage cut Leonard said that "although raw cotton has reached lower levels than at any quarter of a century, the prices on many finished cloths have dropped in even greater proportion."

This means that textile manufacturers are penalizing living standards because of conditions expressed in price cutting until low prices reduce net earnings.

The workers produce the cloth, but have nothing to do with selling it, which is the exclusive function of the textile manufacturers. Cut-throat competition is the jungle method used by the manufacturers to sell cotton cloth. When the jungle method knocks prices below the point where large dividends can be paid to stockholders the mill officials who are the agents of the stockholders impose the alleged "necessity" refers to recover for the stockholders the losses which their own jungle methods have caused. Instead of recovering, the losses themselves by passing dividends or dipping into surplus.

J. L. RODIER, WASHINGTON TRADE UNIONIST, DIES

Washington, Oct. 2.—James La Coste Rodier, active labor union man and newspaper worker, died of heart failure in Baltimore, Md., where he was a staff member of the Sunpapers. He was in his 74 years old.

Rodier was born in Washington, December 18, 1856. For years he was employed at the Government Printing Office and later worked in the press room of the Washington Post and Washington Times.

At one time Mr. Rodier was editor of the Nashville, Tenn., Mirror. During his early newspaper days he became an advocate of the Federal child labor law, and upon his return to Washington assisted in drafting the bill which was finally enacted.

He was also a conciliator for the U. S. Department of Labor during the World War, and was a prominent member of Columbia Typographical Union No. 101 and Washington Press Club. He is survived by his widow, Mrs. Ida Rodier, and ten children.

UNIONS ARE LABOR'S POWER, DONNELLY SAYS

Wilkes-Barre, Pa., Oct. 3.—Strong trade unions are the workers' chief organization for their protection, declared Judge Philip Donnelly of Rochester, N. Y., in an address before the National Conference of Catholic Charities.

Judge Donnelly denounced unfair employers, modern efficiency systems, scrapping of machinery because of age, and other practices which, he asserted, have imperilled the position of the working people.

There can be no doubt that the chief difficulty encountered by the workingman is in the front rank of the average employer toward his employes," Judge Donnelly said.

"Now, if there is to be any true progress in industrial society, that attitude must be changed. Practical experience with the average employer convinces me that the only way that frame of mind can be changed is by the formation of strong industrial unions."

Inefficiency of Merchants Costs 10 to 12 Billion Dollars a Year

Washington, Oct. 2.—The inefficiency of the merchants of the United States adds at least ten or twelve billion dollars to their cost of doing business, declared Assistant Secretary of Commerce Julius Klein, in a statement gi ing some of the facts revealed by the census of distribution now in progress under the direction of Assistant Secretary Klein.

On the basis of total sales amounting to $122,000,000,000 a year, Secretary Klein said the proper "rationalization" of present business practices of merchants would reduce the cost of selling goods by at least 10 per cent.

One of the methods recommended to enable the merchants to realize this immense saving is the application of the Taylor system of time-and-motion studies and other speed-up plans to the trade. The merchants claim that they claim such a system will enable the merchants to sell the same quantity of goods with much less clerical help. This will assist the employer to stabilize his profits.

Secretary Klein believes that if distribution methods were modernized to save these $10,000,000,000 or $12,000,000,000 annually the profit system would apply the golden rule and cut prices accordingly so the consumers would reap the benefit of the economies.

Merchants are not built that way. There is a tradition that competition among them for patronage will compel them to pass along economies of business to the consumers. Experience seems to demonstrate that business men have various ways of keeping the profits of business economies for themselves. They are organized. Consumers are not.

LACKAWANNA RAILROAD ADOPTS LAYOFF WAGE CUT

New York, Oct. 2.—Officials of the Lackawanna Railroad decreed a two-day layoff without pay each month, equivalent to a wage reduction of 6.2-8 per cent, for all employes receiving less than $6,000 annually, and a salary reduction of from 7% to 10 per cent for officers receiving more than $6,000. The decree became effective October 1.